

STATE TREASURY REVIEW FISCAL YEAR 2000

It looks like a bank, it works like a bank, it must be a bank. In fact, the Office of the Treasurer of State is a bank for the State. Every day the Office accepts deposits, reconciles accounts, prepares statements, and answers customer's questions. As a bank for the State, the Office provides the same services for the State as the private banks do for their customers.

On an average day, the Office accepts approximately \$32 million in deposits - taxes, fees, and other payments made by the people of Arkansas - and credits them to the proper account. These deposits are made up of electronic fund transfers, cash, and checks. On an average day over 14,000 checks are processed through the Receiving Department. Treasury reconciles over 1,500 accounts daily representing the funds of more than 200 State agencies. In fiscal year 2000, approximately \$8.9 billion in receipts were processed and \$7.5 billion state warrants were redeemed. Total receipts have increased 6% over the 1999 fiscal year, while warrant redemption's have decreased 9% in the same time period. For Fiscal 99 we distributed to state agencies over \$3.2 billion in general revenues and over \$734 million in special revenues.

GROWTH ANALYSIS FISCAL 1999 -2000				
	1999	2000	Increase	Percentage
Receipts	\$8.38 billion	\$8.9 billion	\$500 million	6%
Warrants	\$8.34 billion	\$7.5 billion	\$800 million	(9)%
Sales & Use Tax	\$480 million	\$518 million	\$ 38 million	8%
County & Mun. Aid	\$192 million	\$200 million	\$ 8 million	4%

The Treasurer is responsible for state aid to local governments. During the year ended June 30, 2000, general and special revenues distributed to cities and counties amounted to \$200 million, distribution of local sales and use taxes over \$518 million, for a combined total of state aid to local governments of \$718 million.

The Office is daily accountable for approximately \$1.8 billion in Treasury funds. Today there is over \$750 million in Arkansas financial institutions working for you. Based on Arkansas's population of 2.3 million, that represents roughly \$340 per person. These funds are invested and earning interest at all times. Investments earned over \$93 million in interest income during the 2000 fiscal year. At the same time, \$3.3 million was appropriated for operations. When comparing the interest earned on investments to the operating budget, the following conclusion can be reached: for each dollar appropriated, \$28.18 was earned. Table 1 illustrates in more detail:

INTEREST EARNED	
Yearly	\$93,000,000
Monthly	\$7,750,000
Weekly	\$1,788,461
Daily	\$254,795
Hourly	\$10,616
Per Minute	\$177
Per Second	\$2.95